

An aerial photograph of a rural landscape. On the left, a large farmstead with several buildings and a silo is situated in a green field. To the right, a residential area with many houses and a winding road is visible. The background is a dense forest. The text is overlaid on the top half of the image.

Planning for an Agricultural Future

Gerry Cohn

American Farmland Trust

Organic Valley

The logo for the American Farmland Trust, featuring a stylized white silhouette of a farm with a barn and trees against a dark green background.

American Farmland Trust



Not From a Farm Background

- **Family camera business**
- **Love food**
- **Satisfaction of tangible results**
- **Farming as a family lifestyle**



1997 - Matzah Rising Farm

- **NC Piedmont**
- **58 acres, divided by a creek**
- **Abandoned house, barn, and outbuildings - financing**
- **30 acres corn, beans, and hay**
- **Tent in the barn – fix up old corncrib**



Building the Farm: 1997 - 2007

- **Dairy goats and cheese**
- **Heritage turkeys & ducks**
- **Value-added baked goods**
- **Blueberries and veggies**
- **Direct marketing and customer connections**
- **Conservation, forestry, renovations**



2007 – The Great Compromise

- Teenage daughter and yankee wife
- Considered conservation easement with SWCD/Land Trust
- Sold eastern half
 - Explaining PUV to buyers and attorney
 - Tractor stays



2007 – The Remaining Piece

- **Must earn \$1000 per year**
- **Sweet potatoes**
- **What else can I grow?**
- **Gum eradication**



2007 – The Family Meeting

- 140 acres in Vermont
- Jointly owned by two families
- Thanksgiving vacation
- Everyone needs to be heard



American Farmland Trust

- **National non-profit organization, founded in 1980. 50,000 members nationwide.**
- **Agriculture and the Environment**
- **Growing Local**
- **Education and policy advocacy**
- **Farm Bill**



Land Prices Increasing

- Rural land is cheap for developers
- Land prices rising
- Difficult for farmer to enter or expand
- Tougher to pass land to the next generation



Property Taxes Are Increasing

- **New residents demand expanded services**
- **These services = higher property taxes**
- **Large landowners bear disproportionate burden of new taxes**



Non-Farm Residents Bring Conflicts

- **Increase in new neighbors and conflicts**
- **Remaining operations become fragmented by development**
- **New residents resent sights, sound and smell of production agriculture**



Changing Farm Economy

- **End of tobacco program**
- **Aging farmers and challenges to entry**
- **Consolidation and internationalization**

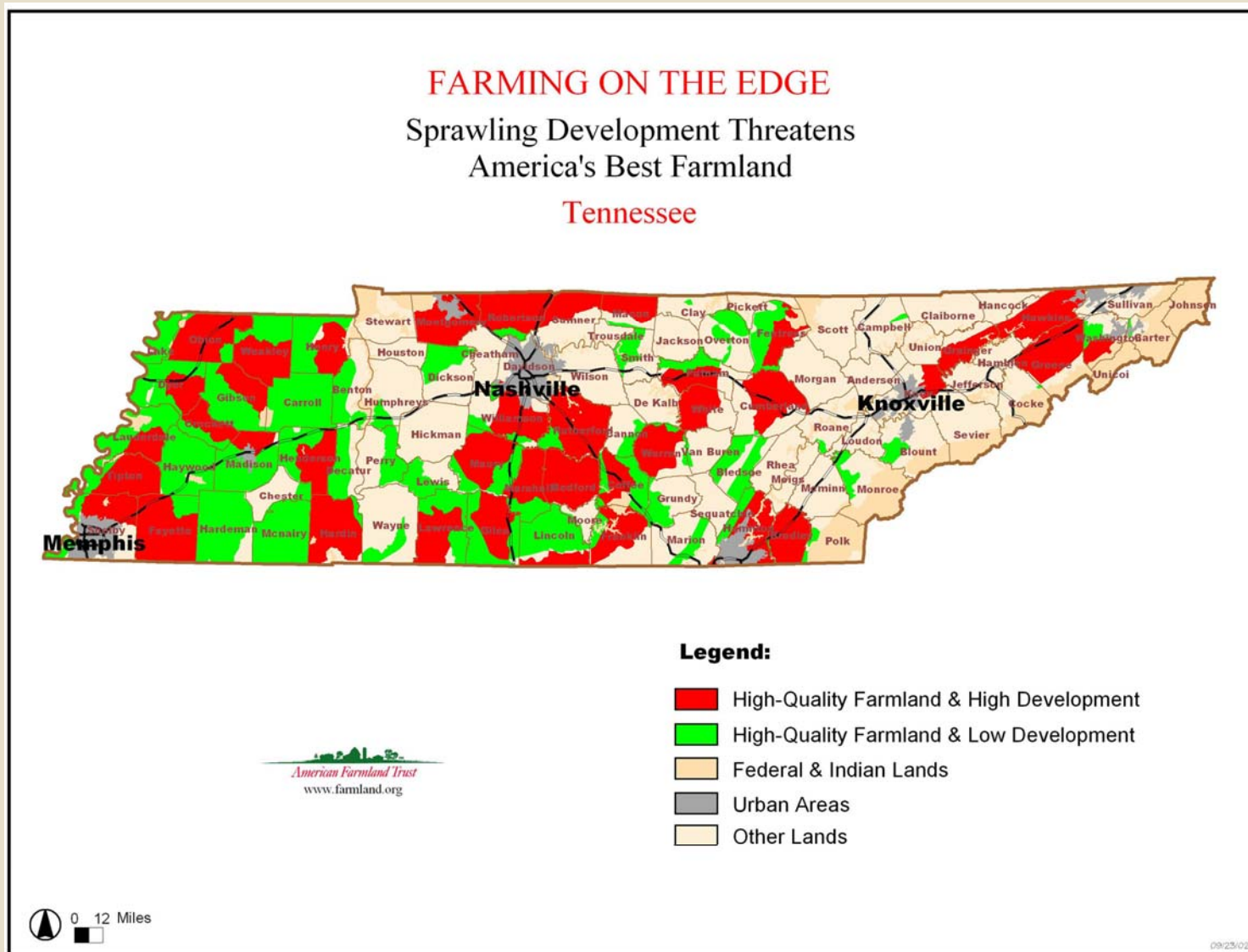


Impact On The Larger Community

- Decreasing number of farms and farmers
- Increased development of farmland
- Weakened rural economies
- Urban public divorced from agriculture



Farming on the Edge





So what?

What do farms bring to your community?



Making the Case for Agriculture

- Economic
- Natural resource protection
- Wildlife habitat
- Rural heritage
- Fiscal



Results of Three COCS Studies

| | <u>Residential</u> | <u>Commercial/ Industrial</u> | <u>Farmland</u> |
|------------------|--------------------|-----------------------------------|-----------------|
| Blount County | \$ 1.23 | \$.25 | \$.41 |
| Robertson County | \$ 1.13 | \$.22 | \$.26 |
| Tipton County | \$ 1.07 | \$.32 | \$.57 |
| National Median | \$ 1.19 | \$.28 | \$.37 |



Three Common Myths

- 1. Residential development will lower property taxes by increasing the tax base.**
- 2. Differential property tax programs give farms an unfair tax break .**
- 3. Open lands, including productive farms, are interim uses waiting around to be developed to their “highest and best use.”**



Farmland Protection Toolbox

- **Differential Taxation**
- **Right to Farm Laws**
- **Land Use Planning**
- **Agricultural Protection Zoning**
- **Conservation Easements**
- **Purchase of Development Rights**
- **Transfer of Development Rights**
- **Agricultural Economic Development**
- **Estate Planning / Farm Transition**
- **Agricultural Districts**

Planning for Agriculture, not just around it!





Planning for Agriculture

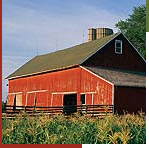
- Land use policies
- Economic development programs

FARMING IS A BUSINESS



Local Government Tools

- Comprehensive and Local FP Plans
- Zoning and Subdivision Ordinances
- Taxation
- Right-to-Farm Laws
- Agricultural Districts



Local Government Tools Examples

- Henderson - Ag Element to Comp Plan Update
- Davie - Agribusiness Ordinance
- Cumberland – Buffering Fort Bragg



Agricultural District Laws

- **Allow farmers to form areas where commercial ag is encouraged**
- **Authorized by state legislature and implemented by local Soil and Water Conservation District**
- **Partnership between farmers, commissioners, and planners**
- **Ag district programs in 16 states**



Agricultural Districts - Tennessee

- **250 acres minimum size**
- **Petition local Soil and Water Conservation District**
- **Public hearing for condemnation**
- **Notification to local government and media, signs**



Planning for Conservation

- Federal
 - Leveraging \$ into your community
 - Farm Bill opportunities

- State
 - NC: Ag Conservation cost share, CREP, CWMTF
 - TN: ?



Purchase of Development Rights *or* Purchase of Agricultural Conservation Easements

- Land protection, liquidity, cash in-flow
- 27 state programs
- 56 local programs
- Farmland Protection Program (federal)



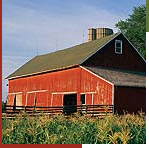
FPP in Tennessee

- Cruze Dairy – Knox County
- Panther Creek – State Park System
- Hiwassee River – Tennessee Heritage Conservation Trust Fund *and* Land Trust for Tennessee
- Fort Campbell – Department of Defense *and* Land Trust for Tennessee



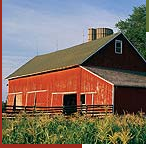
PDR/PACE - Southeast

- **NC: ADFP Trust Fund - \$12M over 2 years**
 - **Orange, Buncombe, Rowan, Wake, Durham**
 - **Polk County land transfer tax ballot measure**
- **KY: PACE/PDR programs: Tobacco Settlement \$25M**
 - **Fayette County**
- **GA: Georgia Land Conservation Program**
 - **Carroll and Oconee Counties**
- **SC: Conservation Bank: deed stamp tax**
 - **Beaufort County**



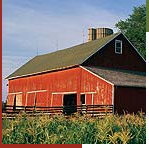
Steps to a PACE Program

- **Establish a knowledgeable and representative board**
- **Determine land protection priorities:
Soils...water...tourism...**
- **What types of restrictions to place on land**
- **How to monitor and enforce easements**
- **How to fund it**



Possible sources of funding

- **General obligation and special purpose bonds**
- **Annual appropriations**
- **Real estate transfer taxes**
- **Impact Fees**
- **Greenbelt Program Rollback Taxes**
- **Transportation Enhancement Funds**



Creative Funding Sources

- **Dedicated local sales tax**
- **Farmland conversion mitigation fees**
- **Cellular phone tax**
- **Lottery proceeds**
- **Motel/restaurant tax**
- **Transfer of Development Rights**



Protecting Your Farmland - Examples

- Alamance VAD – COCS, local plan, ordinances, outreach, easements
- Agricultural Conservation Easements – Rowan partnership between county, SWCD, and land trust
- Country Living – realtors and farmers working together



Orange County, NC

- Breeze Farm incubator project
- \$3M for PACE
- Maple View Dairy
- Agricultural Economic Development coordinator
- Rural Service Buffer
- Transfer of Development Rights feasibility study



Buncombe County, NC

- Cooperative Extension Sustainable Ag Agent
- Blue Ridge Food Ventures
- \$2M annually for PACE
- Appalachian Sustainable Agriculture Project
- Agricultural Development and Farmland Preservation Plan
- City Market
- Foodtopia
- Farm Prosperity and Farmland Values Project



Carroll County, GA

- Broad based partnership, led by Rolling Hills RC&D
- Active participation in Comp Plan Update
- Cotton Mill Farmers Market
- Farmers Fresh Food Network
- SPLOST referendum (3M for farmland)
- Georgia Agricultural Land Trust
- New growers school



Hudson Valley (NY) Watershed Agricultural Program

- Developed as an alternative to a costly EPA-mandated filtration system
- Financial incentives to implement best management practices
- Connections with NYC consumers and restaurants
- Purchase of agricultural conservation easements



Farm Transfer and Estate Planning


- **Transfer ownership and management of the agricultural operation, land and other assets**
- **Avoid unnecessary transfer taxes (income, gift and estate)**
- **Ensure financial security and peace of mind for all generations**
- **Develop the next generation's management capacity**



Profitability is Key


- **Local foods**
- **Grains and biofuels**
- **Grass-fed meat**
- **Recreation: hunting, meetings**
- **Ecosystem services**
- **New farmers: Farm Credit survey**
- **Taking care of family needs**





American Farmland Trust
SAVING THE LAND THAT SUSTAINS US

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E-News

January 11, 2007

New Year's Resolutions for Agriculture

Stumped for 2007 resolutions? Try these out! This year, make a resolution to protect farm and ranch land. (We promise you, they're easier than going to the gym!)


1. Buy **locally grown products** once a month.
2. For one week, **cook using only seasonal vegetables**.
3. **Sign up for AFT's Action Network**.
4. **Take Action today!** Send a letter to your legislator and ask them to support more funding for farm and ranch land protection.
5. **Sign up to receive AFT's Farm Policy Update**.
6. **Forward this e-mail to five friends.**
7. **Become a member of AFT.**

Protecting Drinking Water with a New Conservation Tool for Farmers

Water quality trading, much like **green payments** [PDF] heralded by AFT as a way to reward farmers for environmental stewardship, is an innovative and fast-growing means for reducing pollution and bettering the environment. Under **water quality trading programs**, farmers earn credits for implementing conservation practices that help protect drinking water; they then can trade those credits with industrial or municipal facilities required by law to reduce wastewater pollution. The Environmental Protection Agency and the USDA Natural Resources Conservation Service recently signed a **partnership agreement** to promote water quality credit trading—and AFT and its partners are **developing water quality trading applications** in Pennsylvania and Minnesota.

A Vision for 10,000 Acres of Farmland in California

The Suisun Valley in California, a unique agricultural area of nearly 10,000 acres, faces an uncertain future. High land prices, market competition and residential development threaten the viability of this farming community.



According to local farmers, "It's catch up time, but the regulations aren't catching up as fast." AFT is helping Solano County and the Suisun Valley Fund Advisory Committee to identify **agricultural economic plans** from throughout the country that could help. Using a farmer-driven input process, AFT is helping **the Suisun Valley farm community** articulate a vision for local agriculture.

Are Local Agriculture Easement Programs Protecting Farmland?

The first national assessment of local agricultural easement programs uncovers practices and approaches that have helped communities protect farm and ranch land across America. AFT's **newly released and final report** of the study evaluates how effective 46 programs in 15 states are at protecting farmland from urban development. Most of these programs have impressively protected many acres of farmland, which continue to be farmed despite later purchase by non-farmers, in many cases.

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FARMLAND INFORMATION CENTER

www.farmlandinfo.org

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Organic Valley

- **CROPP**
- **Wisconsin-based farmer cooperative**
- **Dairy, grains, beans, hay, and meat**
- **Farmer board and committees**
- **Stable pay price**
- **Organic transition and technical assistance**



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